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Mexico

Planting Seeds

Annual Report

2004

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Report Highlights:

Mexican seed imports in CY 2003 totaled \$442 million, up from \$354 million the previous year, due to increased areas planted to vegetables that were destined for the export market, especially in the United States. The United States captured 46 percent of the market, exporting \$204 million worth of seeds to Mexico. The value of seed exports from Mexico decreased 6 percent from the previous year to \$95 million.

Includes PSD Changes: No
Includes Trade Matrix: Yes
Annual Report
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SECTION I. SITUATION AND OUTLOOK**Planting Seed Situation and Outlook:**

Mexican seed imports in CY 2003 totaled \$442 million based on data from the World Trade Atlas, up from \$354 million the previous year, due to increased areas planted to vegetables that were destined for the export market, especially in the United States. The United States captured 46 percent of the market, exporting \$204 million worth of seeds to Mexico. The value of seed exports from Mexico decreased 6 percent from the previous year to \$95 million, due to increased use of domestic seed fueled by improved precipitation in Mexico's prime vegetable producing state of Sinaloa. Despite some concerns about the safety of farm products developed through the use of biotechnology, the United States was still the dominant player, with its CY 2003 share of Mexican seed imports at 8 percent for field crop seeds, 74 percent for grass seeds, 27 percent for leguminous seeds, 77 percent for other forage seeds, 77 percent for other seeds and 98 percent for other vegetable seeds.

Phytosanitary barriers are not a significant impediment to the import of seeds to Mexico. Mexico subscribes to the International Convention on the Protection of New Plant Varieties and registered breeds are protected.

SECTION II. STATISTICAL TABLES

Mexico's Imports by Planting Seed Groups
 Calendar Year
 (U.S.Dollars 000 and Metric Tons)

Commodity & Country of Origin	2002		2003	
	Value	Volume	Value	Volume
Field Crop Seeds				
U.S.A.	22.352	8,098	26.559	8,222
Canada	66.840	235,585	169.966	602,260
Others	60.425	232,929	3.309	1,328
Total	149.617	476,612	199.834	611,810
Grass Seeds				
U.S.A.	25.919	26,104	31.415	32,314
Others	6.992	1,508	5.729	1,411
Total	32.911	27,612	37.144	33,725
Leguminous Seeds				
U.S.A.	21.738	37,027	27.735	54,782
Canada	9.799	30,740	13.565	33,425
Others	0.451	888	0.353	741
Total	31.988	68,655	41.653	88,948
Other Forage Seeds				
U.S.A.	34.379	27,597	40.159	34,157
Brazil	6.776	1,448	5.663	1,383
Others	0.836	240	0.925	256
Total	41.991	29,285	46.747	35,796
Other Seeds				
U.S.A.	10.791	8	10.960	6
Others	2.938	0	2.934	5
Total	13.729	8	13.894	11
Other Vegetable Seeds				
U.S.A.	54.799	NDA/1*	67.431	978
Netherlands	5.723	NDA/1*	10.679	18
Israel	5.632	NDA/1*	6.807	0.9
China	6.556	NDA/1*	5.985	140
Others	11.142	NDA/1*	11.911	51
Total	83.852	NDA/1*	102.813	1,188

SOURCE: World Trade Atlas, Mexico Edition, February 2004

/1* No Data Available

Mexico's Exports by Planting Seed Groups
Calendar Year
(U.S. Dollars 000 and Metric Tons)

Tariff No. Commodity & Country of Destination	2002		2003	
	Value	Volume	Value	Volume
Field Crop Seeds				
U.S.A.	0.463	2,257	0.777	1,672
Venezuela	3.575	3,385	1.394	1,232
Colombia	0.708	669	1.103	1,023
Honduras	0.677	381	0.997	437
Others	0.641	449	0.65	477
Total	6.064	7,141	4.921	4,841
Grass Seeds				
U.S.A.	0.395	664	1.167	770
Others	0.534	195	0.402	77
Total	0.929	859	1.569	847
Leguminous Seeds				
U.S.A.	20.793	34,892	21.493	38,714
Spain	25.163	43,532	20.212	36,690
Algeria	10.003	17,494	8.165	15,070
Switzerland	1.940	3,342	5.305	9,681
Italy	5.108	8,846	4.790	8,842
Portugal	3.630	6,284	3.563	6,458
Canada	3.268	5,664	2.347	4,338
Others	15.472	26,891	14.148	25,870
Total	85.377	146,945	80.023	145,663
Other Forage Seeds				
U.S.A.	0.370	644	1.248	798
Others	0.546	196	0.383	75
Total	0.916	840	1.631	873
Other Seeds				
U.S.A.	2.451	152	1.852	207
Others	0.445	83	0.565	75
Total	2.896	235	2.417	282
Other Vegetable Seeds				
U.S.A.	5.984	NDA/1*	4.868	NDA/1*
Others	0.118	NDA/1*	0.123	NDA/1*
Total	6.102	178	4.991	271

SOURCE: World Trade Atlas, Mexico Edition, February 2004

/1* No Data Available

SECTION III. NARRATIVE ON SUPPLY AND DEMAND, POLICY & MARKETING**PRODUCTION**

Statistical information for domestic seed production is not available. The Mexican seed industry is made up of individual farmers, large multinational companies, national private seed companies, the government seed company PRONASE, national public research and seed production organizations such as INIFAP, and international agricultural research centers such as CIMMYT (The International Maize and Wheat Improvement Center). Additionally, private companies can participate in any phase of the seed industry from seed production and conditioning to seed marketing and distribution.

TRADE

Mexico's domestic seed sales and seed imports and exports must conform to prescribed standards, and meet marking, labeling and packaging requirements. All seed sold in Mexico for most crops, whether locally produced or imported, must come from a registered variety. Only seed that has gone through Mexico's established grading system may be sold by variety name. Limiting access to the market for seed that does not conform to these provisions helps to preserve attractive price levels.

Imports

Mexican planting seed imports totaled \$442 million in CY 2003, up from \$354 million in CY 2002, due to increased areas planted to vegetables that were destined for the export market, especially in the United States. In volume terms, imports also grew from 602,172 metric tons in CY 2002 to 771,478 metric tons in CY 2003: field crop seed imports grew 28 percent, grass seed imports grew 22 percent, leguminous seed imports grew 30 percent, other forage seed imports grew 22 percent and other seed imports grew 38 percent.

Mexican year-to-date seed imports through the end of February CY 2004 totaled \$50,011 million, with the U.S. share accounting for 76 percent of total imports.

Exports

Total Mexican seed exports in CY 2003 dropped 2 percent and 7 percent in volume and value terms, respectively, due to increased domestic use fueled by improved precipitation in Mexico's prime vegetable producing state of Sinaloa. However, CY 2003 Mexican seed exports to the United States increased 3 percent and 9 percent in value and volume terms, respectively, due to attractive export prices. Mexican year-to-date seed exports through the end of February CY 2004 totaled \$16,398 million, with exports to the U.S. accounting for 18 percent of total exports.

POLICY

The United States and Mexico share many of the same goals and concerns regarding the responsible development and use of agricultural biotechnology. Since Mexico's ratification of the Cartagena Protocol on Biosafety (CPB) in April 2002, the Mexican Congress has been working on the passage of a biosafety bill to implement Mexico's obligations under the Protocol and to strengthen the country's biotechnology regulatory structure. Mexico currently has no restrictions on the import of transgenic crops.

MARKETING

U.S. seed exporters, new to the Mexican market, are encouraged to contact the following trade organizations for further market information.

THE U.S. AGRICULTURAL TRADE OFFICE
BRUCE ZANIN, DIRECTOR
JAIME BALMES NO. 8 - 2ND. FLOOR
11510 MEXICO, D.F.
PH. (525) 280-5291/5276; FAX. (525) 281-6093
ZANINB@fas.usda.gov

ASOCIACION MEXICANA DE SEMILLEROS, A.C.
(MEXICAN SEED ASSOCIATION)
AV. NUEVO LEON 209, DESP. 601/602
COL. HIPODROMO CONDESA
MEXICO, D.F. 06100
PH. (525) 516-0293/0957; FAX (525) 272-1775

SERVICIO NACIONAL DE INSPECCION Y CERTIFICACIÓN DE SEMILLAS (SNICS)
(NATIONAL SERVICE FOR INSPECTION AND CERTIFICATION OF SEEDS)
LOPE DE VEGA NO. 125 - 2ND. FLOOR
COL. CHAPULTEPEC MORALES
MEXICO, D.F. 11570
PH. (525) 203-9427; FAX (525) 250-6483
EDUARDO BENITEZ, DIRECTOR

INSTITUTO NACIONAL DE INVESTIGACIONES FORESTALES, AGRICOLAS Y PECUARIAS
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